

Business Strategy, Environmental Uncertainty and Management Accounting Systems and Their Influence on Firm Performance

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Abstract- *Company performance can be measured from the financial and non-financial performance so that to achieve its goals, companies must try to achieve both. In this case, Managers must maintain a competitive spirit in their competition to stay ahead of competitors. This study aims to determine how much influence the business strategy, environmental uncertainty, and management accounting systems have on the company's performance accompanied by the inclusion of human capital as a moderator. With the right strategy, the ability to understand complex environmental uncertainties and effective use of information can make a company gain a competitive advantage. The sample used was 152 respondents and data were collected through questionnaires with a Likert scale of 7. The results showed that only business strategies were able to significantly improve company performance and showed that human capital high-quality, especially for leaders, would be able to gain competitive advantage, increase competitiveness and encourage the achievement of good performance.*

Indexed Terms- *Firm Performance, Business Strategy, Environmental Uncertainty, Management Accounting System, Human Capital.*

I. INTRODUCTION

Companies operating in a competitive environment must have a strong motivation to change their control system because a more adequate costing system and monitoring of performance are essential for survival. (Williams & Seaman, 2001). In this situation, good management is needed, where to be able to overcome the competition, managers must work optimally above average.

At the beginning of 2020, the whole world was faced with an extraordinary event, namely the outbreak of the COVID-19 virus. This incident has an impact on all aspects, one of which is the economic aspect. The impact is not only limited to a decrease in profits but even many companies that lose so much that they finally have to stop operating. In Indonesia, based on survey results (May 2020) shows that several companies experienced a decline in production at 57.1%; even 39.4% of businesses stopped, and only 3.55 businesses were not affected. In addition, the ability to survive in the business world is also limited. It was recorded that (May 2020) as many as 41% of entrepreneurs could only survive for less than three months or would stop in August 2020. As many as 24% of entrepreneurs were able to survive for 3-6 months, 11% were able to survive for the next 6-12 months, and 24 % were able to survive more than 12 months. In independent businesses, the business stopped and some experienced a decrease in production, whereas many as 40% of independent businesses stopped their business activities, and 52% experienced a decrease in production activities (lipi.go.id). The conditions that occur require companies to respond and adapt to existing conditions quickly, and various strategies must be carried out to be able to continue their business.

Several factors that can affect the company's performance, in this study, variables used are business strategy (BS), environmental uncertainty (EU), management accounting system (SAM), and placing human capital as a moderating variable. The business strategy defines the details of the opportunity in terms of products, customers, and technology. Strategies take center stage which results in the creation of unique and assessable strengths called "typical competencies", which involve a different set of activities (Porter, 1991). Implementing the right

business strategy is the main factor for business success (Kitsios and Kamariotou, 2019). There are four types of business strategies, namely prospector, defender, analyzer, reactor (Miles & Snow), and managers must choose at least one of these strategies, if they do not choose, the company will be slow in responding to all opportunities and challenges that are in front of them so that the firm's performance will be ineffective.

In the globalization era, business development is very fast and sustainable. It will increase uncertainty in the business environment (Hutahayan, 2020) and increasingly intense competition between business entities. Environmental uncertainty generally refers to changes in environmental conditions and their development in an unpredictable way (Hoque 2004; Costantini & Zanin, 2017). For companies that face increasing and high levels of environmental uncertainty (Al-Mawali & Al-Shammari, 2013) will put pressure on organizations to achieve competitive advantage (Alaeddin et al., 2018), Therefore, companies must have tools to help managers in planning and allocating their limited resources.

The existence of global competition, efficiency, deregulation, and technological advances have made the business environment very complex (Rasid et al., 2014). Information technology resilience has always been proven to help in achieving the company's business goals, the contribution of information systems can facilitate the organization's information needs and data collection that will be used for decision making. The utilization of an effective management accounting system can enable managers and those in authority decide to reduce the uncertainty of the existing environment, through updating, timely, organized management of internal and external information (Alaeddin et al., 2018).

To be able to obtain optimal performance, it cannot be separated from the support of quality human resources. Human capital is the largest and most important "intangible asset" in an organization (Kalkan et al., 2014). Human capital will directly have an impact on the performance of good managers (Cantrell et al., 2006) meaning that it also has a positive impact on firm performance.

Previous research found that strategy had a positive and significant effect on firm performance (Kalkan et al., 2014); Tuanmat & Smith, 2011) is supported by Anwar & Hasnu (2016) where the strategy has a positive and significant correlation to firm performance. The findings differ from Dahlan (2017), that innovation has a significant negative influence on firm performance, this is due to the lack of sufficient knowledge from managers when implementing various strategies (innovation) resulting in no added value for stakeholders, public services, or in growth. finance. Koseoglua et al. (2013) findings are that there is a relationship between environmental uncertainty and performance (financial and non-financial). Chandra & Augustine (2020); Poulis & Wisker (2016) in their research found that environmental uncertainty affects company performance. Agbejule's (2011) research findings that the management accounting system (MAS) affects organizational performance. Ismail & Isa (2011), using the broad scope as a proxy for management accounting systems, found that broad scope MAS has a significant positive effect on performance. Al-Mawali et al. (2012) using the customer accounting dimension in measuring MAS, the findings are that there is a significant positive relationship between customer accounting (as part of MAS) and organizational performance. Novas et al. (2017) tested the indirect effect of the management accounting system and the results found that indirectly, in this case through intellectual capital, MAS affects company performance.

II. LITERATURE REVIEW

- Contingency Theory

In Nimtrakoon & Tayles (2015) it is stated that "the contingency approach to management accounting is based on the premise that there is no universally appropriate accounting system that applies equally to all organizations in all circumstances". This approach assumes that the management accounting system is appointed to help facilities managers in achieving some of the goals desired by the company optimally. The result of all organizations is to achieve the highest possible level of performance. To achieve this, each organization must set its performance targets based on available resources and capabilities (Ismail & Isa, 2011).

- Firm Performance

Firm performance is multi-dimensional because it is not only related to financial performance but also non-financial performance. For the organization to achieve comprehensive performance, the financial and non-financial performance of the organization must run in "a harmonious" (Hutahayan, 2020). There are four main competencies in distinguishing high-performing companies and low-performing companies, namely: organizational confidence, organizational change capacity, organizational change capacity, and championing behaviors by top management. top management) (Liozu & Hinterhuber, 2012).

- Business Strategy

Strategy is the result of decisions made to direct an organization concerning the organizational environment, structure, and all processes that affect the performance of its organization (Kalkan et al., 2014), where these decisions are made by management and then implemented throughout the organization. There are two dominant business frameworks with their strategies, namely the Miles and Snow typology and the Porter typology (Slater et al., 2011).

- Environmental Uncertainty

Environmental uncertainty is mapped on a continuum from the highly uncertain external environment to the highly predictable external environment (Fisher, 1998).

- Management Accounting System

The management accounting system is very important for an organization or company to make the right and accurate decisions (Fitria, 2021). The management accounting system can be seen as a system that can provide information to managers in the form of reports, systems for measuring performance, and "computerized" information systems, which are needed to prepare and supervise the process of obtaining managerial accounting information (Heidmann et al., 2008; Novas et al., 2017). Specifically, several functions include identifying, measuring, and reporting financial information in the form of systematic, transparent, and detailed financial reports for the benefit of internal parties (Fitria, 2021). Conventionally, the design of MAS has been limited

by the organization's internal financial information with an orientation to historical data. However, the increasing role of MAS in helping managers to focus their attention and their problem-solving tasks has resulted in a change. In MAS there is an amalgamation of external data and non-financial information that focuses on marketing issues, product innovation, strategic planning, and predicting information (Mia & Chenhall, 1994). Chenhall and Morris (1986) have empirically proven the characteristics of useful information according to managerial perceptions, which consist of four dimensions (aspects), this MAS typology is "Broad Scope, Timeliness, Aggregated and Integrated" (Wiryana & Augustine, 2014).

- Human Capital

Human Capital contains a skilled, experienced, educated, and qualified workforce that supports product advancements, service advancements, and new procedures (Alpkan et al., 2010; Hayaean, 2020).

III. RESEARCH HYPOTHESES

Organizations use strategies to deal with environmental changes and bring the organization to new circumstances (Anwar & Hasnu, 2016). The company's performance can show the level of achievement of the managerial strategy and the level of effectiveness of the strategy used. The more precise the strategy used or the higher the level of strategy achievement, the better the company's performance will be. Kalkan et al. (2014) and Tuanmat & Smith (2011) state that business strategy has a positive influence on firm performance. Based on this description, the following hypothesis can be formulated:

H1: Business strategy has a positive effect on firm performance.

Environmental uncertainty generally refers to changes in environmental conditions and their development in an unpredictable manner. With the uncertainty of the business environment, the planning that has been set will be problematic, this is because the manager's inability to predict/forecast conditions or events in the future can result in inappropriate decisions. The higher the environmental uncertainty, the company's performance will decrease. Poulis & Wisker (2016) show that environmental uncertainty has a negative

effect on firm performance. Based on this description, the following hypothesis can be formulated: (Wisker, 2016)

H2: Environmental uncertainty has a negative effect on firm performance

A good MAS design can help managers become more effective in decision making (Ismail & Isa, 2011; Alaeddin et al., 2018). With MAS, managers will be able to process relevant information more quickly in planning for the future, communicating directions efficiently and seizing opportunities more effectively (Simons, 2000; Chong and Eggleton, 2003; in Hammad et al, 2010). In Cadez & Guilding (2008); Ismail & Isa (2011); Al-Mawali et al. (2012); Heryanto & Augustine (2017) found that the use of MAS has a positive impact on firm performance. Directly the use of adequate management accounting information can affect the company's performance better. Based on this description, the following hypothesis can be formulated:

H3: Management accounting system has a positive effect on firm performance.

Human capital can encourage the company's competitiveness (Sudibyo, 2014) therefore *human capital* high quality, especially for top management or managers will be able to encourage the achievement of good performance because it can quickly respond to all opportunities so as to create value for the company, and consumers. Based on this description, the following hypothesis can be formulated:

H4: Human capital strengthens the influence of business strategy on firm performance.

Organizations that have skilled and cooperative human resources are likely to succeed (Rompho, 2017), one of which is minimizing the level of environmental uncertainty, by maximizing all the knowledge, skills and experience they have (especially top management), will ultimately have a good impact on the company's performance. Based on this description, the following hypothesis can be formulated:

H5: Human capital weakens the influence of environmental uncertainty on company performance

With good human capital, competent human resources (especially top management), have the ability to manage information, both financial and non-financial, effectively quickly the leadership will be able to maximize all information received/collected for later use more effectively and efficiently in strategic decision making, ultimately having a positive impact on improving company performance. Based on this description, the following hypothesis can be formulated:

H6: Human capital strengthens the influence of the management accounting system on firm performance.

IV. RESEARCH METHOD

The sample selection technique uses Non-Probability Sampling, especially the accidental sampling technique where researchers in taking samples are not determined in advance but directly collect data than those found (Wati, 2017: 75). This research was obtained by distributing questionnaires to respondents with positions from Specialist or Staff of Operating Level, middle manager, and top manager of companies in the JABODETABEK area. The unit of analysis is the company. Of the 170 respondents who were distributed, 152 complete answers were obtained which could be used as samples. The questionnaires made were distributed to respondents and then used as primary data.

- Measurement of Variables

Company Performance. In this study, company performance uses a balanced scorecard (Khan et al., 2011; Lin & Li, 2014; Raval et al., 2019; and Chandra & Augustine, 2020), where performance is seen from four perspectives, namely: "financial perspective, customer perspective, internal business perspective and learning and growth perspective" (Khan et al., 2011; Chandra & Augustine, 2020). The number of items on the questionnaire is 21 items.

Business Strategy. Strategic decisions are determined by management and then implemented throughout the organization. This study uses the Miles & Snow typology with four types of strategies, namely Defenders, Analyzers, Prospectors, and Reactors. This dimension is also used by Wiryana & Augustine

(2014); Pleshko (2013); and Desarbo et al. (2005). The number of items on the questionnaire is 11 items.

Environmental Uncertainty. Lin & Li (2014) used the dimensions of technical uncertainty and market uncertainty; Desarbo (2005); Long et al. (2014) using the uncertainty of the market environment, technology environment and competitive environment. In this study, the dimensions of uncertainty in the market environment, technology environment and competitive environment are used, which is a combination of those used by previous researchers. The number of items on the questionnaire is 10 items.

Management Accounting System. From the typology of MAS: "Broad Scope, Timeliness, Aggregated, and Integrated". Used in the measurement is a broad scope which has a wider scope, using 4 dimensions, namely: "future events, non-economic information, information about broad factors outside the organization, and non-financial information". The dimensions and indicators in this study are a combination of those used by several researchers such as Etemedi et al. (2009); Rasid et al. (2011); Ghasemi et al. (2016); Novas et al. (2017); and Gomes & Yasin (2020). The number of items on the questionnaire is 6 items.

Human Capital. The measurement is the adoption of the instrument developed by Vidotto et al. (2017), where there are 3 dimensions that are used as a measure, namely qualifications, leadership and motivation, as well as satisfaction and creativity. In contrast to previous studies, this researcher uses human capital as a moderating variable. Where the researcher developed the instrument used in Vidotto et al. (2017), which consists of 3 dimensions as a measure, namely: qualifications, leadership and motivation, as well as satisfaction and creativity. Researchers add one dimension in the form of trust "trust", which intended for internal parties and the effectiveness of the system being built; manager's trust in employees (such as the manager's belief in the optimal and satisfying work results of his employees).

V. RESULT

A. Descriptive Statistics

From the results of descriptive statistical analysis, the average value of business strategy is between 4,283 and 6,118, indicating that business strategy is very important for companies in making decisions. The average value of environmental uncertainty is between 5,349 and 5,849, indicating that environmental uncertainty is very high and important for companies to pay attention to. The average value of the MAS is between 5,822 and 5,914, indicating that the company's management accounting system must be considered because it is able to provide important information for companies in making decisions. The average value of the company's performance is between 4,112 and 5,895, indicating that respondents rate the company's performance at a relatively high level. The average value of human capital is between 5,651 and 6,079, indicating that the ability, skills, creativity, commitment of human resources are important and can determine the level of achievement of company performance. All values of the standard deviation are smaller than the *mean*, indicating the distribution of the data variables is small or the absence of a large enough gap from the lowest and highest values of all the variables used.

B. Research Instrument Test

This study uses SmartPLS, the exogenous construct confirmatory factor analysis stage is carried out to test the dimensionality test of the dimensions forming each latent variable, which is as follows:

- At this stage, validity testing is carried out, where the valid items are as follows: 5 out of 11 valid business strategy variables, 8 out of 10 valid environmental uncertainty items, valid management accounting system for all items used, 12 out of 21 valid company performance, and 21 out of 23 valid human capital items. Some invalid items were dropped so they had to be retested.
- Reliability testing using Cronbach's Alpha value. The business strategy variable (X1) has a value of 0.841; environmental uncertainty (X2) has a value of 0.926; management accounting system (X3) has a value of 0.949; company performance (Y) has a value of 0.949 and human capital (Z) has a value of 0.982. All results show that the value is > 0.7 and Composite Reliability > 0.8 , which means that the indicators that are owned are able to measure the variables that should be measured, have a good

reliability value or are able to measure the construct.

- To assess the power in the prediction of the research model, it can be seen from the value *R Square* of 0.447 and *Adjusted Squared* of 0.420; it means that the company's performance is explained by the variables of business strategy, environmental uncertainty, management accounting system by 42% and the rest is explained by other variables outside the research model.

C. Hypothesis Testing

Based on Figure I, it shows that all indicators have a t statistic value > 1.976, meaning that these variables are able to measure constructs.

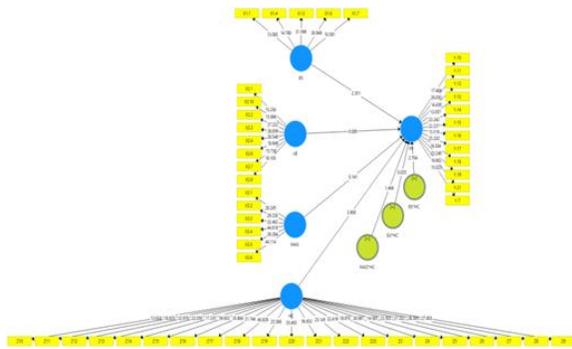


Figure I. Hypothesis Testing Path Diagram
Source: Data processed by SmartPLS, 2021

Table III. Hypothesis Testing

Corellation Between Variable	Predic tion	Parameter Co-Efficient	T-Statistic	P Value	Statement
BS→ FP	+	0,316	2.384	0,017	Supported
EU→FP	-	- 0,09	0.079	0,937	Unsupported
MAS→ FP	+	0,018	0.157	0,876	Unsupported
BS*HC→ FP		0,229	2.501	0,013	Supported
EU*HC→ FP		0,003	0.034	0,973	Unsupported
MAS*HC→ FP		-0,084	1.359	0,175	Unsupported

Source: Data Processed SmartPLS, 2021

$$FP = 0.316BS - 0.09EU + 0.018MAS + 0.229BS*HC + 0.03EU*HC - 0.084MAS*HC$$

Based on table III, it can be interpreted as follows:

- The path parameter coefficient obtained the business strategy variable (BS) on the firm's performance is 0.316 at sign. 0.016 < 0.05 with a t-statistic value of 2.018 > 1.976 which states that there is a significant positive effect of business strategy on

company performance. the coefficient value of 0.316 means that the better the business strategy, the better the company's performance. These results support the research hypothesis (H1 Accepted).

- The path parameter coefficient obtained by the environmental uncertainty variable (EU) on the company's performance is -0.09 in the sign. 0.932 > 0.05 with a t-statistic value of 0.085 < 1.976 which states that the correlation is negative and not significant environmental uncertainty on company performance. coefficient value -0.09, negative correlation means that the greater the environmental uncertainty, the company's performance will be worse/decrease. Even though the correlation is in accordance with the hypothesis, it does not support the research hypothesis (H2 Rejected).

- The path parameter coefficient obtained by the MAS variable on the company's performance is 0.018, at sign. 0.879 > 0.05 with a t-statistic value of 0.152 < 1.976 which indicates that the correlation is positive but not significant. The coefficient value of 0.018 means that the higher the management accounting system, the better the firm's performance. Even though the correlation is in accordance with the hypothesis, it does not support the research hypothesis (H3 Rejected).

- *Human capital* is able to moderate the influence of business strategy on company performance. It is proven that it has a sign value. 0.006 < 0.05 with a positive correlation. This means that *human capital* is able to strengthen the influence of business strategy on firm performance. These results support the research hypothesis (H4 Accepted).

- The path parameter coefficients obtained by the moderating variable of *human capital* (HC) do not show significant numbers on environmental uncertainty and management accounting systems, all of which do not support the hypothesis with the obtained t-statistics < t table (t table of 1.976 > 0.971 and 0.166). This means that *human capital* is not able to moderate all the effects of exogenous variables on the endogenous or *human capital* is not able to moderate the effect of environmental uncertainty on company performance and is unable to moderate the

influence of the management accounting system on firm performance (H5 Rejected and H6 Rejected).

After testing and obtaining the results of hypothesis testing, you should first ensure that the value *relevant predictive* is used to find out how well the observation value is. From the test results, the value is *relevant predictive* $0.268 > 0$, or 26.8%, meaning that the observation value is good. Next is to look at the model fit value, the results show a number of 0.67, meaning that the model value is 67.7% fit.

VI. DISCUSSION

- **The Influence of Business Strategy on Firm Performance**

The first hypothesis test states that business strategy has a positive effect and significant on firm performance. The test results show that business strategies can improve firm performance. These results are in accordance with the research of Kalkan et al. (2014) and Tuanmat & Smith (2011). This result means that a business strategy is needed by the company to improve its performance, with the right strategy, the company can make efficiency and gain a competitive advantage (Khalifa, 2020). The company's business strategy can be done through innovation or differentiation to create value for the company and consumers. If it is related to the current conditions (covid-19 pandemic), it is very clear that without the right business strategy it is difficult for companies to survive or even some cannot continue their business. As happened in the hospitality industry, many hotels that are even in the category of star hotels, they are unable to continue their operations because they are not ready for the conditions that require them to be creative and innovative and adapt in a very short time for an uncertain period of time when it will end. So some who persisted in doing market differentiation by switching to other activities, such as by accepting catering services for companies.

- **The Influence of Environmental Uncertainty on Firm Performance**

The second hypothesis test states that environmental uncertainty has a negative but not significant effect on firm performance. The test results show that environmental uncertainty is not able to explain its effect on company performance, or that environmental

uncertainty is not the company's main concern. This finding contradicts Milliken's (1997) theory that the effect of uncertainty stems from the possibility of future events, or a series of events, and can become more pronounced when there is a sufficiently high degree of certainty about potential future environmental conditions. Implying that in current conditions (pandemic), where uncertainty is very high and it is not known how long it will last, then the focus of managers is no longer seeing or predicting possible risks in the future but rather looking at what actions they must take to stay afloat. and sustainable enterprise business processes. Companies adapt more quickly to environmental changes and eventually get used to managing this environmental uncertainty more effectively. This finding also supports the opinion that currently, survival strategies are more appropriate to do by innovating or doing business differentiation.

- **The Influence of Management Accounting System on Firm Performance**

Testing the third hypothesis states that environmental uncertainty has a positive but not significant effect on firm performance. The test results show that although the positive correlation means that it will affect the company's performance, the management accounting system is considered not so important for the company. This finding contradicts the contingency theory. This theory assumes that the management accounting system is applied to assist managers in achieving some desired results or goals of the company. If the MAS is perceived to be appropriate, it is likely to provide increased information to individuals so that they can make better decisions and thus better achieve organizational goals (Haldma & Laats, 2002). In this study, the accounting system has no effect and no longer plays a role when the company is reluctant to make changes to the management accounting system and adapt it to the times. As mentioned by Ismail & Isa (2011) that changes in the management accounting system are very important, one of which is in monitoring the company's strategic progress through information system feedback.

- **Human Capital Moderates The Influence of Business Strategy on Firm Performance**

The fourth hypothesis states that human capital can strengthen the influence of business strategy on firm performance. The test results show that high-quality

human capital, especially for top management or managers, will be able to gain competitive advantage, increase competitiveness and encourage the achievement of good performance because it can quickly respond to all opportunities so that in the end it will be able to create value for the community, companies or consumers. Quality human resources (human capital) will contribute to advancing the organization as a forum for increasing work productivity (Sudibyo, 2011), human resources can influence the implementation of company strategy (Hitt et al., 2000) and the company's competitive ability, where human capital is Excellence will provide positive feedback for the company in carrying out all its business strategies. Supported by high human resource capabilities, all strategies can be created and ultimately implemented to compete with other companies, supporting the company's readiness to be more creative and innovative in dealing with all conditions that occur both due to the influence of internal factors and external factors. • Human Capital Moderates the Effect of Environmental Uncertainty on Company Performance Testing the fifth hypothesis states that human capital is not able to moderate (weaken) the effect of environmental uncertainty on company performance. The test results show that skilled, credible, creative, and innovative human resources are not the only factors that will be able to predict environmental uncertainty. This finding contradicts the theory that organizations that have skilled and cooperative human resources are likely to be successful (Rompho, 2017), one of which is minimizing the level of environmental uncertainty by maximizing all of their knowledge, skills, and experience. In this case, anomalies can occur, for example, there are cultural factors that can reduce the values of commitment from the leadership or the leadership's inability to adapt to the uncertainty of the company's business environment so that it seems to be indifferent or prefer actions that are more profitable for him but not focused. on management supervision of the company's external and internal environment.

- Human Capital Moderates The Influence of Management Accounting System on Firm Performance

The sixth hypothesis states that human capital is not able to moderate (strengthen) the influence of the management accounting system on company

performance. Contrary to the findings of Asiaei & Jusoh (2015) which states that reliable, quality resources, the ability to use management accounting information can lead to the achievement of unidirectional or positive performance. The challenge faced by leaders is how to manage the talents of their truly outstanding staff members, how to use them to the fullest without becoming overly dependent on a few key actors, or how to encourage them to share their skills with others (Stewart, 2010). When their human capital (especially managers) does not get some things that they consider important such as job satisfaction, rewards/promotions, or training, in the end, it is possible for them not to utilize their potential optimally and not be able to maximize all the information they receive/collect, or even they do not play a role in the use of information from the MAS more effectively and efficiently.

CONCLUSION

Business strategy has a positive effect on firm performance. This means that a company that carries out a business strategy correctly can prove that it can position the company unique and different way to achieve a competitive advantage in the market, whether competition based on price, services, or quality, broad market share and can respond to environmental changes by providing a quick response. In line with the research of Kalkan et al. (2014) and Tuanmat & Smith (2011).

Environmental uncertainty is not significantly negatively correlated with company performance. This result means that the correlation between environmental uncertainty can hinder the achievement of optimal company performance, but because it is not significant, it cannot explain its effect on company performance, or that environmental uncertainty is not the company's main concern. It is also possible that companies adapt more quickly to environmental changes and eventually get used to managing this environmental uncertainty more effectively. This finding contradicts the theory put forward by Milliken (1997) which states that the effects of environmental uncertainty can become more pronounced when there is a sufficiently high level of certainty about the potential future state of the environment.

Accounting information system has no significant positive correlation with company performance. This result means that although it has a positive correlation, the management accounting system will not affect the company's performance when the company is reluctant to make changes to the management accounting system and adapt it to the times. As mentioned by Ismail & Isa (2011) that changes in the management accounting system are very important, one of which is in monitoring the company's strategic progress through information system feedback. The characteristics of the management accounting system can also change mainly due to various aspects of the company such as technological advances (Granlund, 2011; Ghasemi et al., 2019).

Human capital can moderate (strengthen) the influence of business strategy on firm performance. These results mean that high-quality human capital, especially for top management or managers, will be able to gain competitive advantage, increase competitiveness and encourage the achievement of good performance because it can quickly respond to all opportunities so that in the end it will be able to create value for the company. or consumers.

Human capital is not able to moderate (weaken) the effect of business strategy on firm performance. This result means that skilled, credible, creative, and innovative human capital is not the only factor that will be able to predict environmental uncertainty.

Human capital is not able to moderate (strengthen) the influence of the management accounting system on firm performance. This result means that low human capital allows them not to utilize their potential optimally.

This research cannot be separated from the existence of shortcomings, where if it is associated with the number of respondents who answered the questionnaire, the position of Specialist or Staff of Operating Level ranks the highest at 61% and with a working age of 25-30 years or 41%; there is a possibility that the respondents did not understand some of the items in the questionnaire, such as actions in dealing with environmental uncertainty, especially for the market environment and competitive environment. In the same type of research, the next

researcher should use respondents who have a minimum working age of 10 years and there has the suitability for their work position with the questionnaire submitted to allow respondents' answers to be more precise and more reliable. Using other independent variables such as dimensions of culture or innovation strategy

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